Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

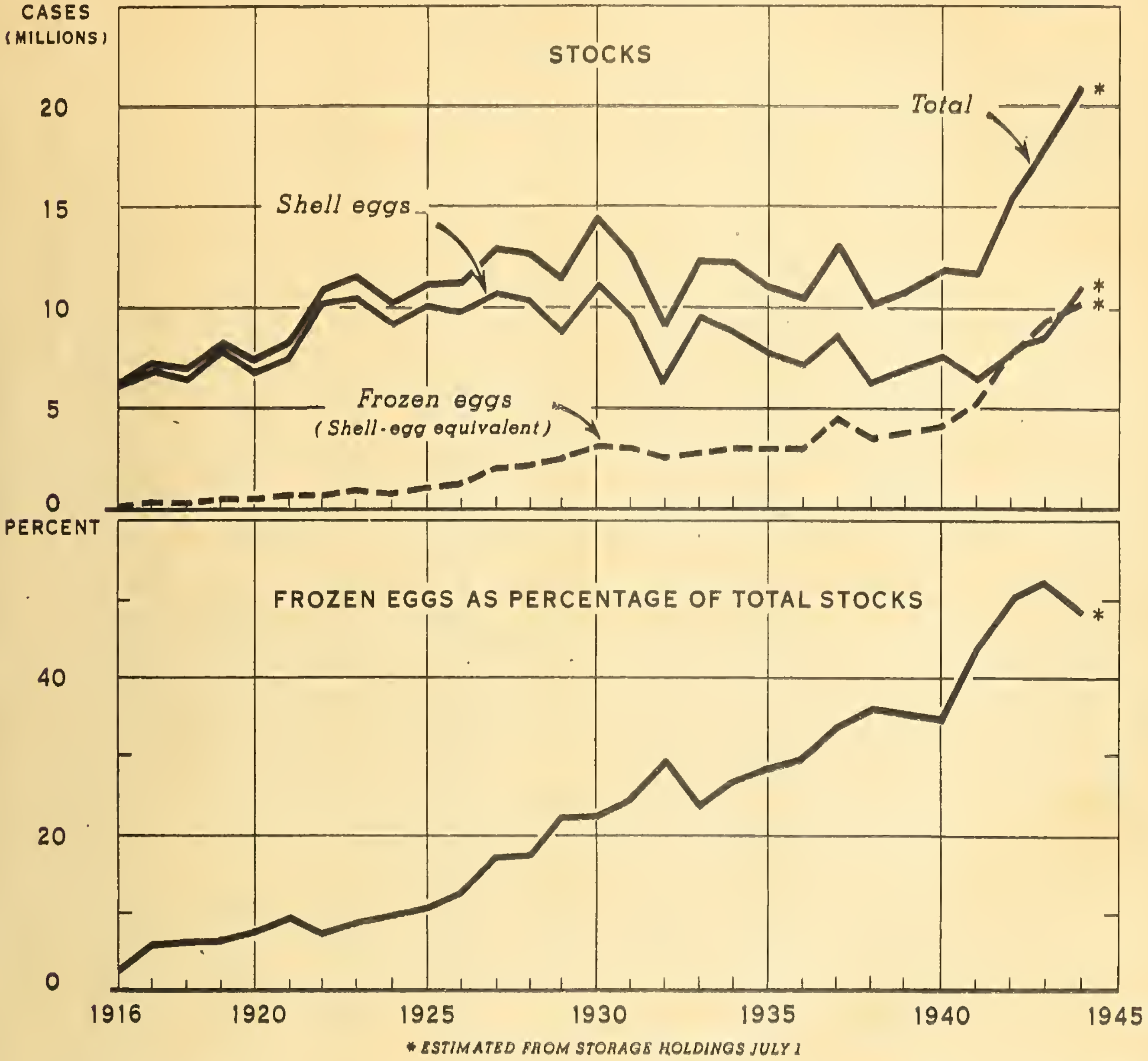
Cp6

THE Poultry and Egg SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

PES - 91 BAE JULY 1944

COLD-STORAGE STOCKS OF EGGS, AND FROZEN EGGS AS PERCENTAGE OF TOTAL, UNITED STATES, AUGUST 1, 1916-44



* ESTIMATED FROM STORAGE HOLDINGS JULY 1

U. S. DEPARTMENT OF AGRICULTURE NEG. 43783 BUREAU OF AGRICULTURAL ECONOMICS

Reflecting War Food Administration price support operations and holdings for military use. Total cold storage stocks of shell eggs are the largest since 1930.

The increase in stocks of frozen eggs as a percentage of total stocks in recent years reflects increased demand for frozen egg from the processed food industry, war-time requirements for frozen egg for off-season drying, and a changed seasonal pattern of fresh egg production which has lessened the need for storing shell eggs.

STATISTICAL SUMMARY

ITEM	UNIT	AVERAGE			1943		1944		CURRENT MONTH AS PERCENT OF	
		PERIOD	MAY	JUNE	MAY	JUNE	MAY	JUNE	YEAR EARLIER	AVERAGE
Layers on farms, number	Million	1933-42	287.0	270.1	374.3	355.7	380.5	362.9	102	134
"Net disappearance" from flocks[1]	Index no.	1933-42	100.0	99.9	99.6	99.1	100.9	100.6	102	101
Number of eggs laid per hen	Number	1933-42	16.83	14.44	17.34	15.04	17.21	14.98	100	104
Total farm production of eggs	Mil. doz.	1933-42	404.0	325.8	541.4	445.8	558.7	453.1	102	139
Stocks, eggs, U. S.:[2]										
Shell	1,000 case	1933-42	6,458	7,664	8,171	8,871	9,682	11,354	128	148
Frozen	1,000 case	1933-42	3,295	3,996	6,707	8,607	7,799	9,464	110	237
Total	1,000 case	1933-42	9,748	11,659	14,878	17,478	17,481	20,818	119	179
Apparent egg disappearance, civilian:										
Total shell egg equivalent	Mil. doz.	1933-42	298.9	278.8	314.7	290.4	298.6	244.3	84	88
Dried egg production	Mil. lb.	--	--	--	28.5	28.9	35.2	--	124	--
Commercial hatchery operations:										
Eggs set	Million	--	--	--	422.0	226.5	215.2	60.5	27	--
Chicks hatched	Million	1933-42	184.4	75.9	312.5	197.5	221.8	68.7	35	91
Receipts:										
Poultry, dressed, four markets	Mil. lb.	1933-42	22.0	24.2	8.7	14.2	36.3	36.5	257	151
Poultry, live, Chicago	Mil. lb.	1933-42	5.6	5.9	0.9	3.2	4.3	4.8	150	81
Poultry, live, New York	Mil. lb.	1933-42	10.0	10.2	10.4	10.9	13.0	10.8	99	106
Poultry, live, Midwest, per plant	1,000 lb.	1933-42	12.19	15.44	6.10	15.68	15.37	25.10	160	163
Fowl (hens), live, Midwest, per plant	1,000 lb.	1933-42	9.62	11.07	4.63	10.66	12.62	19.36	182	175
Young stock, live, Midwest, per plant	1,000 lb.	1933-42	--	3.36	0.62	3.58	.96	4.49	125	134
Stocks, poultry:[2]										
Broilers	Mil. lb.	1933-42	4.7	4.9	1.2	1.5	4.3	4.3	287	88
Fryers	Mil. lb.	1933-42	3.7	2.6	1.5	1.7	7.1	6.6	388	254
Roasters	Mil. lb.	1933-42	10.2	7.5	3.0	2.5	15.2	12.0	480	160
Fowls (hens)	Mil. lb.	1933-42	9.5	11.6	3.5	4.6	30.4	37.7	820	325
Turkeys	Mil. lb.	1933-42	20.1	18.6	7.7	8.1	35.7	35.4	437	190
Ducks	Mil. lb.	1933-42	2.0	4.1	0.4	1.1	2.4	4.9	445	120
Miscellaneous and unclassified	Mil. lb.	1933-42	11.2	12.6	3.6	5.9	27.2	30.2	512	240
Total poultry	Mil. lb.	1933-42	61.4	61.9	21.0	25.4	122.7	131.1	516	212
Prices received by farmers:										
Eggs, per dozen	Cent	1933-42	17.7	17.9	34.2	35.2	27.2	28.1	80	157
Eggs, parity price per dozen	Cent	1933-42	22.0	21.8	28.7	28.9	30.0	30.0	104	138
Eggs, percentage of parity	Percent	1933-42	80	81	119	122	91	94	77	116
Chickens, per pound	Cent	1933-42	14.7	14.5	24.7	25.1	24.4	23.8	95	164
Chickens, parity price per pound	Cent	1933-42	14.8	14.8	18.6	18.7	19.4	19.4	104	131
Chickens, percentage of parity	Percent	1933-42	99	98	133	134	126	123	92	126
Turkeys, per pound	Cent	1933-42	15.9	15.4	28.6	28.6	30.5	30.0	105	195
All farm commodities (1910-14=100)	Index no.	1933-42	106	106	194	195	194	193	99	182
Chickens and eggs (1910-14=100)	Index no.	1933-42	95	95	175	179	158	154	86	162
Wholesale prices, Chicago:										
Eggs, standards, per dozen[3]	Cent	1933-42	19.7	19.6	36.2	37.9	30.8	33.6	89	171
Live heavy hens, per pound	Cent	1933-42	17.6	16.8	24.0	24.0	26.2	23.4	98	139
Live broilers, per pound	Cent	1933-42	21.6	19.9	27.5	27.5	31.1	29.6	108	149
Live roasters, light, per pound	Cent	1933-42	22.5	20.6	27.5	27.5	31.1	29.9	109	145
Live roasters, heavy, per pound	Cent	1933-42	24.8	23.9	27.5	27.5	31.1	29.9	109	125
Wholesale prices, New York:										
Dressed broilers, 25-30 pounds per dozen, per pound	Cent	1933-42	24.0	24.4	36.5	36.5	39.7	38.5	105	158
Dressed roasters, 48-54 pounds per dozen, per pound	Cent	1933-42	26.0	26.2	38.0	38.0	39.7	38.5	101	147
Dressed fowls, 48-54 pounds per dozen, per pound	Cent	1933-42	22.3	21.0	32.5	32.5	35.7	34.4	106	164
Cash farm income:										
Total marketings	Mil. dol.	1933-42	681	706	1,400	1,384	1,464	--	105	215
Poultry and eggs	Mil. dol.	1933-42	86	85	216	205	203	--	94	236
Price ratios:										
Chicago, broiler-feed	Lb. feed	1933-42	16.5	15.7	13.2	13.0	13.7	13.1	101	83
Chicago, light roaster-feed	Lb. feed	1933-42	18.2	17.3	13.2	13.0	13.7	13.2	102	76
Farm, egg-feed	Lb. feed	1933-42	13.8	13.9	16.8	16.9	11.8	12.3	73	88
Farm, chicken-feed	Lb. feed	1933-42	11.6	11.5	12.1	12.1	10.6	10.4	86	90
Farm, turkey-feed	Lb. feed	1937-42	11.6	11.4	14.0	13.8	13.3	13.2	96	116
Farm, egg-laying mash	Lb. feed	--	--	--	10.7	10.9	7.5	7.7	71	--
Laying mash, cost per cwt.	Dollar	--	--	--	3.20	3.23	3.65	3.65	113	--
Feed cost per cwt., farm poultry ration	Dollar	1933-42	1.32	1.30	2.04	2.08	2.30	2.28	110	175
Wholesale food prices (1935-39=100)	Index no.	1933-42	96.4	97.6	139.7	138.6	132.7	134.6	97	138
Retail food prices (1935-39=100)	Index no.	1933-42	98.9	100.3	143.0	141.9	135.5	--	95	137
Prices paid by farmers including interest and taxes (1910-14=100)	Index no.	1933-42	130	130	163	164	170	170	104	131
Retail prices (BLS):										
Roasters, dressed, per pound	Cent	1933-42	31.9	32.1	45.4	44.4	46.5	--	102	146
Eggs, strictly fresh, per dozen	Cent	1933-42	30.4	31.5	50.2	51.7	44.9	--	89	148
Nonagricultural employees compensation (1935-39=100)	Index no.	1933-42	107.9	109.7	234.0	237.9	259.8	--	111	241

[1] See December 1943 Poultry and Egg Situation for definition of, and method of computing, "net disappearance."

[2] End of month. Frozen eggs converted to case equivalent.

[3] Fresh firsts May and June 1933-42 average. Current Receipts, May and June 1943; standards, 44 pounds, May and June 1944.

THE POULTRY AND EGG SITUATION

Contents

	Page
Summary	3
Recent Developments	5
Outlook	8
Situation by Regions	12

Summary

Egg production in the last half of 1944 will be seasonally smaller than in the first half and will be lower than in the corresponding period of 1943. Civilian supplies of eggs, however, are likely to be about the same in the July-December period as a year earlier, reflecting the record cold-storage holdings at the beginning of the period and change in War Food Administration dried-egg procurement pattern from last year. Egg prices are now advancing more than seasonally and the egg-feed price ratio is becoming more favorable to egg producers than it was last spring.

With demand remaining strong, the current seasonal reduction in output of eggs has brought a reversal of the price trend that existed during April and May. Many localities have shifted seasonally from a surplus to a deficit basis on egg supplies. At 28.1 cents per dozen, the average prices received by farmers for eggs in mid-June were 94 percent of parity and 0.9 cent above the mid-May price. Prices at wholesale markets rose from mid-June to mid-July 1/2 to 6 cents per dozen and some top grades were selling at ceiling levels.

For the past 6 months egg production on farms has shown a declining rate of increase from corresponding months of 1943. January 1944 production was 17 percent above the same month of last year, but production

in June was only 1.6 percent above June 1943. This was due in part to the 18 percent decline in number of layers on farms since January 1, 1944 compared with last year's seasonal decrease of 16 percent. The number of layers on farms during June was 2 percent greater than a year earlier, but the rate of egg production per layer was fractionally less. However, the 15.1 million cases of shell eggs produced during June was a record high for that month and was 39 percent greater than the 1933-42 average for June.

Total cold-storage stocks of eggs (shell and frozen) were the highest ever recorded for July 1. War Food Administration holdings of shell eggs were the largest ever owned by a Government agency. Frozen-egg holdings for civilian use apparently exceeded any previous stock.

Prices received by farmers for chickens on June 15 were 0.6 cents below the mid-May price of 24.4 cents, reflecting heavy marketings of fowl during May and June and the lowering of ceiling prices, seasonally, 1 cent from the May levels. Wholesale prices of live fowl increased slightly from mid-June to mid-July but did not reach ceiling levels. Prices of practically all dressed birds, however, have continued at ceiling levels.

Chicken supplies during the next few months probably will be above supplies in the corresponding period last year but will decline sharply during the last quarter when they may be smaller than a year earlier. Heavy requirements by the armed forces may leave fewer turkeys available for civilians than in the previous year despite the prospective increase in market supplies. With military holdings fairly heavy, poultry stocks on July 1 were above any previous record for that date.

-- July 21, 1944.

RECENT DEVELOPMENTS

Egg Production Declines More Than Last Year During June but Still at Record Levels

Farm egg production for June was at a record high for that month of 15.1 million cases but this represented a drop of 19 percent from May production. Last year's decline from May was 18 percent. Production for the first 6 months of 1944 was 99.1 million cases, the highest ever recorded for any comparable 6-month-period and 50 percent above the 10-year average.

Rate of lay in June was 15.0 eggs per layer, almost the same as in June 1941 and 1943 but slightly below the rate of 1942. Although marketings of fowl have been heavy, the June number of layers on farms was 2 percent above last year. Compared with a year earlier, the number of layers has been showing a declining rate of increase as the season advanced. On January 1, 1944, numbers of layers on farms were 6 percent above the level at the beginning of 1943. Because of comparatively low egg prices and an unfavorable egg-feed price ratio, culling during June continued very heavy. The number of birds removed from flocks in June was 43 percent greater than the comparatively low number in June 1943. During the month of June through mortality as well as culling farm flocks declined 29.1 million birds compared with a decrease of 22.4 million in June last year.

From January through April numbers declined as rapidly as a year earlier but less rapidly than average. But since April, numbers have declined more rapidly than last year. During June the number of layers was equivalent to 81.5 percent of the number in January compared with 83.9 percent in 1943 and 81.2 percent in 1933-42.

Egg Prices Increased; Top Grades Selling at Wholesale Ceilings

In mid-June the average price received by farmers for eggs was 28.1 cents per dozen, an increase of 0.9 cent from mid-May. The June price was 7.1 cents per dozen below that received by farmers last year, but otherwise it was the highest June 15 price recorded for 24 years. With consumer demand remaining at high levels and supplies of eggs decreasing more than seasonally, prices of eggs in wholesale markets strengthened considerably from mid-June to mid-July. Price increases have been especially pronounced for top-quality eggs which became scarce with the arrival of hot weather. Many of the higher grades are selling at ceiling levels. The War Food Administration quotation of 37-1/2-41 cents in mid-July on United States Extras at Chicago increased 2-1/2 to 5 cents per dozen from June 15 to July 15 and on the latter date was about at the ceiling. The price of Current Receipts, the grade of the average run of country eggs, was quoted at 33-34-1/2 cents on mid-July at Chicago. This was 1-1/2 to 2 cents above the June 15 price and also was about at the ceiling. Wholesale prices at New York indicated similar trends, but prices in west coast markets have increased more.

Recent WFA Shell Egg-Support Purchases Small

The regional War Food Administration offices announced early in July that purchases of Current Receipts for price-support purposes would cease immediately. Improvement in prices in farmers' markets made it no longer necessary for such purchases to be carried on. Although announcements for the purchase of graded eggs were still in effect, such buying was very small in early July.

Since the first of January WFA purchases of shell eggs for price-support purposes have been tentatively estimated at 6.2 million cases. Some of these have been distributed for school-lunch purposes and to relief institutions. About 300,000 cases have been processed into frozen form and others, especially those of poor quality and those stored in poor facilities, have been resold to egg processors. A small quantity, set tentatively at 135,000 cases has been diverted into animal feed.

Dried-Egg Program Modified

During 1943 all WFA purchases of dried whole eggs were made on an offer and acceptance basis, with ceiling prices being paid to vendors. Last year's high spring egg prices made it less favorable for egg driers to offer dried eggs for spring delivery than for fall and winter delivery. Accordingly a larger quantity of dried eggs was purchased for delivery in the last half of 1943 than during the first 6 months of that year.

Two actions in 1944 brought a reversal of this pattern so that the bulk of WFA dried-egg requirements would be obtained during the season of heaviest shell egg supplies. At the beginning of this year's purchase program, egg driers were informed that contracts for the September 1944-January 1945 period would not be granted until vendors had contracted for delivery of at least 80 percent of their capacity for the February-August 1944 period.

The second action was the War Food Administration announcement at the end of April that prices paid for dried whole eggs contracted for delivery after May 1 would be on a cost-plus basis. Without any special price incentive to contract for late delivery dehydrators have been contracting mainly for current delivery.

With the issue on June 26 of the Announcement Awd-118 (Purchase of Dried Whole Eggs) the WFA stated that, for the present, offers of dried eggs not to exceed 50 percent of a vendor's plant capacity for the 5-month period of September 1944 through January 1945, will be accepted. Even if each vendor offers the full 50 percent, purchases of dried eggs for delivery during the second half of 1944 will be far below the purchases made for delivery during the same period of 1943.

Table 1.- Purchases of dried whole eggs by the War Food Administration through July 1, 1944, by delivery months

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1942	11.4	12.9	13.1	13.4	18.3	17.5	18.5	19.2	19.2	22.0	25.3	15.8	206.6
1943	7.2	20.1	12.6	21.4	17.2	10.9	19.6	19.9	16.1	16.4	20.1	28.1	209.6
1944	26.4	27.0	19.1	28.0	27.0	26.2	22.6	16.4	7.4	5.8	2.6	1.4	209.9
1945	0.5												

July 1 Egg Stocks at Record Highs

As the result of the heavy spring egg production, total cold-storage holdings of shell and frozen eggs on July 1 were equivalent to 20.8 million cases, or 3.3 million cases above the previous high recorded last year and 7.6 million cases above the average 5-year July 1, 1939-43 level. The shell-egg input for June was the largest in 15 years and shell-egg stocks on July 1 were above stocks of any previous year. (War Food Administration holdings of shell eggs, however, were very heavy.)

For the third consecutive year, there was a net withdrawal of shell eggs during July. This movement was much heavier than ever heretofore. In the 35 markets for the period July 2 to July 15 there was a decline of 143 thousand cases in shell-egg stocks, the largest ever recorded for that period.

The July 1 frozen-egg stocks of 355 million pounds, exceeded the previous record holdings of last year by 32 million pounds. With spring egg prices very low, breaking and freezing for later sales were carried on to a larger extent than usual. Frozen stocks were limited mainly by manpower, packaging, and storing difficulties.

Except for 4 years, frozen-egg production since 1930 has been showing a steady increase. Expansion in the use of eggs in frozen form by the food-processing industries, especially bakers, resulted in an increase in frozen-egg production in the decade between 1930-40. The needs of the dried-egg industry for frozen eggs for processing in the later months of the year continued this trend in 1941-43.

During the last decade there has been a distinct change in the seasonal pattern of shell egg production whereby a larger proportion of the total supply is produced during the last half of the year. This has brought about a decline in needs for storage shell eggs to fulfill civilian demand in the fall and winter. With the demands for frozen eggs increasing, a larger proportion of the total cold-storage holdings has been in frozen form. (See cover chart.)

Liquid and Dried-Egg Production During May Continues at Record Level

Largely because of a changed seasonal pattern of dried-egg procurement by War Food Administration from that of last year, liquid- and dried-egg production for May was at the highest level ever reported. Records indicate that

May production was 237.6 million pounds of liquid eggs, 19 percent above that of last year. Of this, 128.5 million pounds were used for drying. Total dried-egg production for all purposes in May was 35.2 million pounds, 6.8 million pounds higher than in May last year.

Poultry Marketings Continue to Increase Seasonally

Marketings of young chickens, as indicated by data for Midwest markets, more than doubled from mid-June to mid-July; in the first half of July they were 9 percent greater than a year earlier. Marketings of fowl by farmers in early July were much larger than a year earlier, but about the same as in earl June in contrast to the sharp seasonal increase in marketings of young birds. Receipts of fowl at Midwest markets as a percentage of total receipts at those markets decreased from 80 percent during the first half of June to 66 percent in the first half of July.

Marketings of all chickens probably are larger than a year earlier in all areas, reflecting the large early season hatch and continued heavy culling Receipts of both live and dressed stock at terminal markets are increasing seasonally at a level well above those of the corresponding period in 1943.

Prices of Fowl Increase, Young Stock Decline

Wholesale prices of fowl at terminal markets increased slightly during the month ended mid-July, but because of continued large marketings, these prices have continued slightly below prevailing ceilings. Despite the large seasonal increase in marketings of young birds, wholesale prices of all young stock, except leghorn broilers, have continued at maximum levels. However, ceiling prices for all classes of poultry declined 1 cent from June to July and in the latter month were 2 cents lower than in May.

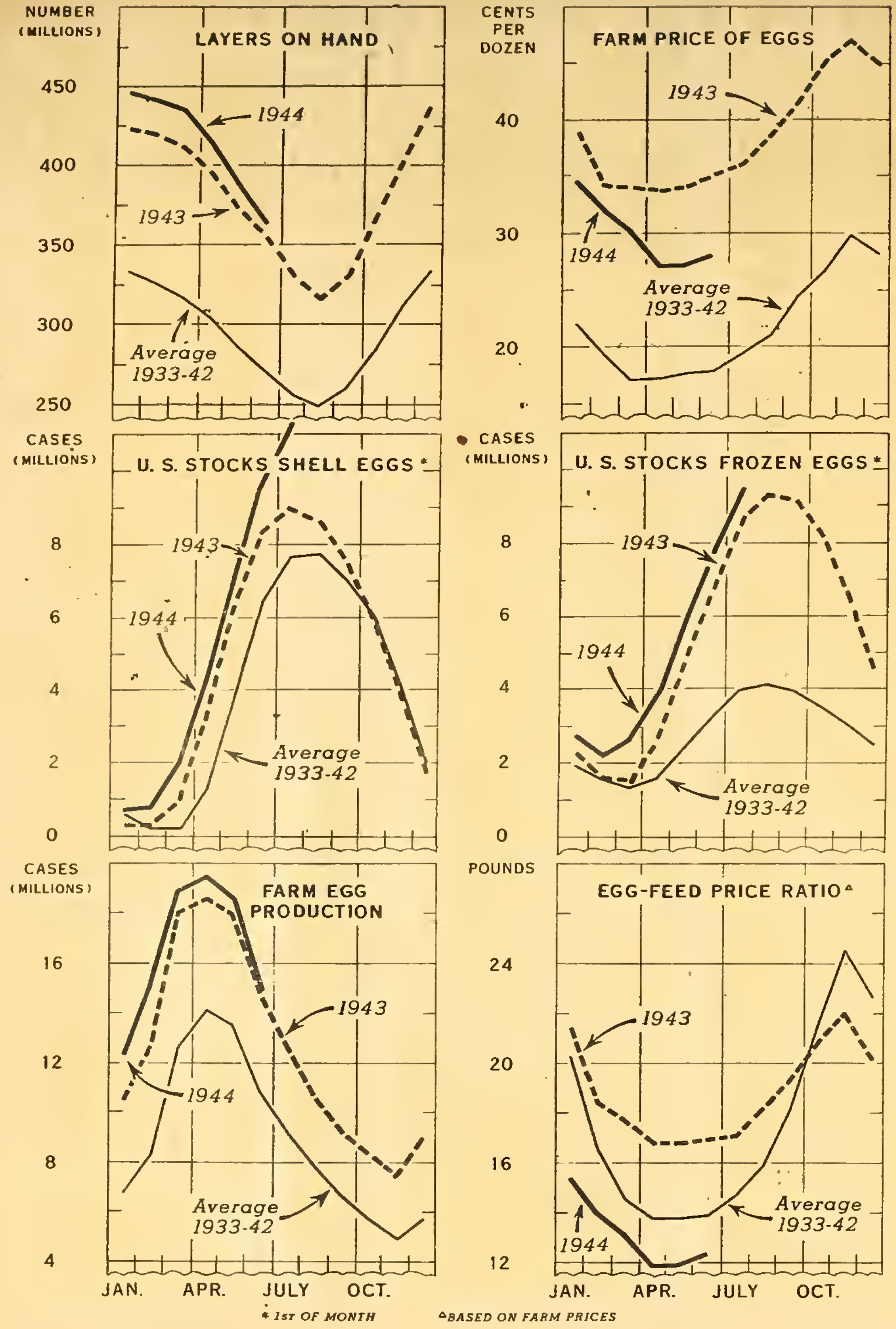
Compared with a year earlier, wholesale prices of live fowl are a little higher while prices of young stock are about the same as in mid-July 1943. The average price received by farmers for chickens in mid-June, 23.8 cents per pound, was 0.6 cent lower than last May and 1.3 cents lower than in June 1943.

Poultry Stocks July 1 More Than Double the 10-Year Average

Continued heavy farm marketings of poultry have been accompanied by some increase in storage stocks of poultry despite heavy consumption by civilians. During June, poultry stocks increased further, relative to both a year earlier and the 10-year, 1933-42 average. On July 1, total holdings were a little more than 5 times as large as a year earlier and more than twice the 10-year average for July 1. Increases in holdings of fowl and ducks more than offset slight seasonal declines in all other major classes. Stocks of fowl on July 1 were more than 8 times the holdings of July 1, 1943, and more than 3 times the 10-year average holdings on that date.

OUTLOOK

BACKGROUND.- Since January the number of layers on farms has been showing a declining rate of increase over last year. Whereas, in January 1944 the average number of layers on farms was 5 percent above the previous year, by June the number of layers had declined



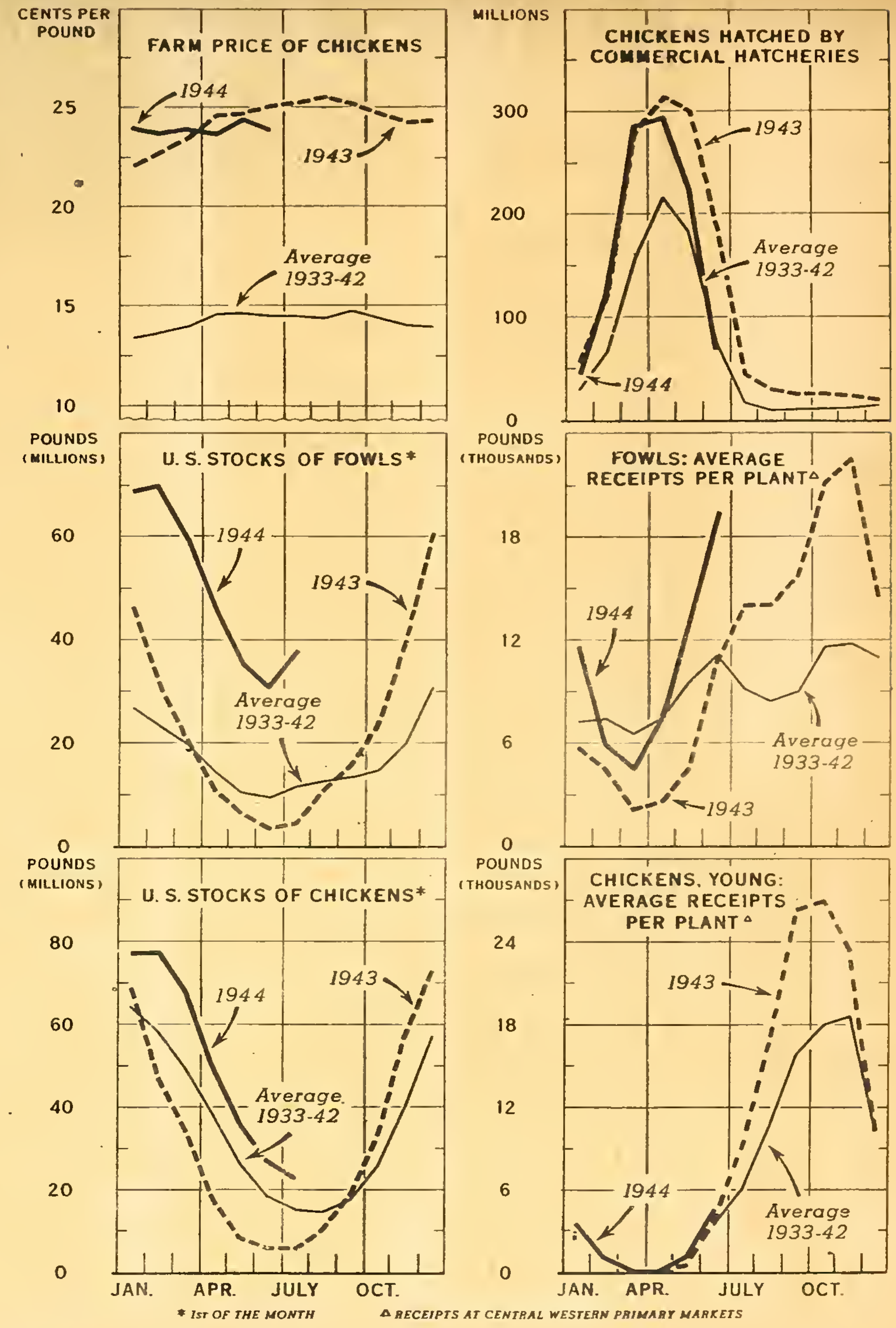
THE EGG SITUATION

* 1st OF MONTH

△ BASED ON FARM PRICES

U. S. DEPARTMENT OF AGRICULTURE NEG. 43788 BUREAU OF AGRICULTURAL ECONOMICS

FIGURE 1



THE POULTRY SITUATION

* 1st OF THE MONTH

△ RECEIPTS AT CENTRAL WESTERN PRIMARY MARKETS

U. S. DEPARTMENT OF AGRICULTURE NEG. 43789 BUREAU OF AGRICULTURAL ECONOMICS

FIGURE 2

to 362,895,000, only 2 percent above the number of June 1943. Unfavorable egg-feed price relationships were mainly responsible for the increased disappearance of layers.

Hatchery Output in June 65 Percent Smaller Than June Last Year

The demand for baby chicks during the 1944 season has been considerably below the demand of a year earlier owing primarily to unfavorable egg-feed price relationships and, to some extent, to less favorable broiler-feed price relationships than prevailed a year ago. Moreover farmers' demand for chicks for replacements was fully met at a record early date this year, thus accounting in large part for the sharper-than-usual decline in recent months. Output in the United States in June totaled 69 million birds compared with 222 millio in May, and 293 million in April, and 197 million in June 1943.

Chicks hatched during the remainder of 1944 will be used primarily for producing commercial broilers. Some indications point to a strengthening in demand for chicks for this purpose in coming months, compared with the demand that has prevailed in recent weeks. Reasonably steady prices of young chickens, despite seasonally heavy marketings, and general improvement in the feed situation from that in prospect earlier, would be conducive to such strengthening in chick demand.

The number of young chickens on farms July 1 was 19 percent smaller than a year earlier. This reflects a substantial decline in numbers of chicks started by farmers this year and heavier-than-usual sale of early hatched birds for meat during June. This is the first year on record that a significant decline has occurred from June 1 to July 1 in the number of young chicken on farms. The number declined 22 million head this year, or 4 percent in contrast to a usual 1933-42 average increase of about 3 percent. By regions, the July 1 number of birds was smaller than a year earlier by the following amounts: North Atlantic, 15 percent; East North Central, 16 percent; West North Central, 18 percent; South Atlantic, 22 percent; South Central, 25 percent; and Western, 26 percent.

Based on usual relationships, numbers of layers for the 1945 laying season would be reduced approximately 8 to 10 percent following the sharp decline in number of birds raised this year. In individual years, however, actual performance varies substantially from the average relationship. Improved feed-supply prospects together with any further improvement in the egg-feed price relationship would lead to relatively light culling during the remainder of the year and possibly to only a slight decline in number of layer for next season.

Civilian Shell-Egg Supplies About The Same as Last Year

Total egg production on farms for the last 6 months of 1944 will probably lag behind that of the same period last year, with increasing deficit as the end of the year is approached. The prospective smaller number of layers on farms is the primary factor to bring about this decline. To partially offset these factors are the earlier 1944 hatchings which will result in pullets going into production somewhat ahead of last year, and possibly a more favorable feed supply.

Egg supplies for civilians, however, should be about the same as last year. Heavy cold-storage stocks, especially of frozen eggs, and lighter demand for storage stocks for processing into dried eggs during the last half of the year, probably will about offset the likely decrease in production. An especially large supply of frozen eggs will be available for civilian uses, for egg-drying operations for the last half of 1944 will be below those of the corresponding period in 1943. If War Food Administration makes available part of its holdings of shell eggs for civilian distribution, civilian supplies during the third and fourth quarters of 1944 will tend to be greater than those of 1943.

Feed-Supply Prospects Improved

With egg prices rising seasonally and feed prices remaining about stable, the egg-feed price ratio during the next few months will be relatively more favorable for egg production than during the first part of 1944. Also, with the expected reductions in hog and poultry numbers, the supply of feed grains will approximate more closely the demand.

According to the Pig Crop Report issued by BAE, as of June 1, it is estimated that total pig crop for 1944 will be 28 percent below that for 1943. A considerable decline is also expected in poultry numbers for the year ending December 31, 1944. With the outlook for total feed supplies from domestic production and carry-over approximately the same as the 1938-42 average (125 million tons), the supply of feed grains for 1944-45 may be equal to about .84 ton per grain consuming animal unit on farms January 1, 1945, or only a little less than the average for 1938-42 period when large feed reserves were being accumulated.

Turkey Supplies for Civilians Will Be Short of Demand

Turkey production for 1944 is estimated at 33 million birds, or approximately 480 million pounds, dressed weight. This total is about 2 percent above last year but 1 percent below the 1940 record production. In order to fulfill the armed-forces requirements, War Food Administration issued WFO 106, effective July 17, similar to WFO 71 in effect last year. The order requires the set aside of all turkeys produced and marketed in designated areas until the desired quantity is obtained by the Quartermaster Corps. This is in addition to the 8 million pounds of hen turkeys obtained under WFO 97 during the spring of this year.

With increased military demands and high consumer incomes, potential demand for turkeys will probably exceed the expected supplies. Prices probably will be at ceilings.

Chicken Marketings in Late 1944 to Be Materially Smaller Than a Year Earlier

With continued large consumer purchasing power and smaller supplies of red meats than in early 1944, it is likely that the civilian demand for poultry during the remainder of the year will be sufficient to absorb all prospective supplies at or close to scheduled ceiling prices. Difficulties arising from over-taxed processing, tranportation, packaging, and storing facilities may result temporarily in somewhat wider spreads between average prices received by producers and average retail selling prices. But any such development in all likelihood will be mild in comparison to the unusual situation which prevailed on eggs last spring, since live poultry while on farms is far less perishable than eggs and can be withheld from market for a time. In general, seasonally heavy marketings so far this season have been absorbed by poultry markets without serious price declines.

Supplies of young chickens from farm flocks already have been determined within fairly narrow limits. The volume of meat from this source probably will be considerably smaller than in 1943, and because of the early average hatching date the seasonal peak in marketings will come earlier than it did in 1943. Supplies of fowl (mature hens) that will ultimately become available depend primarily on the extent to which farmers cull their old birds. Normally in a year when fewer chickens are raised, farmers cull mature birds more lightly than in years when increased numbers are raised. Continued improvement in egg-feed price relationships and in feed-supply conditions would tend to encourage farmers to cull all potential layers much more lightly in late 1944 than in the corresponding period of 1943. In any case, it is probable that supplies of fowl for consumption will be considerably larger this year than the 1943 total.

The supply of commercial broilers for market through October has been established by the number of broiler chicks now in commercial broiler houses. In Delaware, the leading broiler State and the only State for which monthly figures are available covering commercial broiler operations, the number of broiler chicks on farms July 1 was 1 percent smaller than on July 1 last year. Some indications point to relatively greater reductions for other areas. On the other hand, as indicated above, an upturn in broiler operations is pointed to for coming months.

The total slaughter of chickens in the United States during 1944 is likely to be around 3,500 million pounds, or 8 percent smaller than the output of 3,821 million pounds in 1943.

SITUATION BY REGIONS

North Atlantic States - Numbers of layers now close to last year's level

The egg-feed price relationship in the North Atlantic States during the first half of 1944 averaged 35 percent below the near record high of a year earlier. This less favorable relationship was reflected in a decline of about 15 percent in numbers of young chickens on farms July 1. Numbers of layers on farms in this area declined more than usual during the first half of the year. In January laying flocks in the region averaged 4 percent greater than in January 1943, but by June the number was larger than a year earlier by only a fraction of 1 percent, next to the smallest increase that is shown for other regions. Throughout the first half of 1944 the rate of egg production per bird averaged greater than a year earlier and total output for the first half of the year was 7.6 percent greater than the previous record reached a year earlier.

North Central States - July 1 numbers of young chickens down 17 percent from last year

Numbers of layers on farms in the North Central region during June were 1 percent greater than in June 1943 in contrast to a 5 percent increase at the beginning of 1944. This sharper decline from January to June this year than last reflects the less favorable egg-feed price relationship, which also accounts for the 17 percent smaller number of young chickens July 1 than on the corresponding date in 1943.

The rate of lay per bird in the North Central region averaged lower than a year earlier from March through June. But with a greater number of layers, total egg output has continued above the record production of a year earlier. Total egg production in the region during the first half of 1944 was 8 percent greater than the previous record for that period reached last year.

South Atlantic States - July 1 numbers of chickens 22 percent under a year earlier

In the first half of 1944 prices received by farmers for eggs in the South Atlantic States averaged about 3.5 cents (10 percent) lower than in the corresponding period of 1943. With feed prices in the first half of the year 21 percent higher than a year earlier the egg-feed price relationship was 26 percent lower than in the comparable period of 1943. These less favorable egg-feed price relationships, together with some difficulties in obtaining feed supplies, resulted in a 22 percent reduction in the number of chickens on farms July 1 compared with a year previous, and a sharper seasonal decline in the number of layers from January through June than occurred in 1943. During June the number of layers on farms of the South Atlantic States was 2.6 percent greater than in June last year. Egg output in the first half year was 2.6 percent above the previous record for that period reached in 1943.

South Central States - Reduced chick hatch for both farm flocks and commercial broilers

In late 1943 the demand for chicks for broiler purposes apparently weakened sooner in the South Central States than in other regions. In the early months of 1944 the demand for chicks in that region was weak for replacement purposes as well as for broiler production. These developments reflected relatively higher price for feed and in some cases temporary local shortages of feed supplies. The percentage increase over a year earlier in numbers of layers on farms declined from 6 percent in January to 2 percent in June. The total egg output in the first half of 1944 was 4 percent greater than production in the comparable period of 1943.

Western States--July 1 number of young chickens on farms down 26 percent from 1943

Prices received by farmers for eggs in the Western States in the first half of 1944 averaged 5 cents per dozen lower - about 13 percent - than in the corresponding period of 1943. With prices of feed higher and local supplies short in some sections, farmers raised considerably fewer chickens for both laying purposes and broiler production this year than in 1943. The number of young chickens on farms was smaller than a year earlier by 13 percent on June 1 and 26 percent on July 1. The number of layers on farms during June was 5 percent greater than in 1943. The reduction in rate of lay per bird in March-June of 1944 was less in the Western States than in any other region, and total egg production was 6 percent greater than in the comparable period of 1943.

Table 2.- Egg-laying mash: Price ratios, by months, United States and regions, 1941-44

Year	Jan. 15	Feb. 15	Mar. 15	Apr. 15	May 15	June 15	July 15	Aug. 15	Sept. 15	Oct. 15	Nov. 15	Dec. 15	Average 1/
						United States							
1941	8.9	7.6	7.4	8.8	8.8	10.1	10.7	10.9	11.8	12.1	13.5	12.7	10.3
1942	11.3	9.6	9.0	8.9	9.1	9.5	10.2	11.0	11.9	12.8	13.3	13.5	10.8
1943	12.8	11.1	10.9	10.7	10.7	10.9	11.1	11.5	12.2	13.1	13.5	12.7	11.8
1944	9.7	8.9	8.4	7.5	7.5	7.7							
						New England							
1941	11.6	10.7	10.5	10.9	11.5	13.2	15.2	16.0	15.4	15.5	16.3	14.4	13.4
1942	13.0	11.7	11.3	10.8	11.0	11.6	14.0	15.0	15.5	16.6	16.8	16.8	13.7
1943	15.5	13.6	13.1	12.6	12.9	13.3	14.0	14.5	14.8	15.9	15.5	14.6	14.2
1944	10.9	10.1	9.6	8.7	8.9	9.0							
						Middle Atlantic							
1941	10.8	9.4	8.9	10.0	10.0	11.2	12.8	13.4	13.8	14.7	15.5	14.5	12.1
1942	12.5	11.3	9.9	9.8	9.9	10.4	11.9	13.0	14.7	15.9	16.2	16.2	12.6
1943	14.8	12.1	11.7	11.6	11.7	12.0	12.9	13.7	14.2	15.0	15.2	14.3	13.3
1944	10.5	9.2	8.7	8.0	7.7	8.1							
						East North Central							
1941	7.8	6.9	7.0	8.7	8.3	9.5	10.0	10.0	10.8	11.5	13.4	12.2	9.7
1942	10.8	9.2	8.7	8.7	8.9	9.1	9.8	10.1	11.0	12.2	12.7	12.7	10.3
1943	11.9	10.8	10.7	10.5	10.5	10.7	10.7	11.2	11.7	12.7	13.5	12.4	11.4
1944	8.6	8.5	8.3	7.4	7.2	7.5							
						West North Central							
1941	7.3	6.5	6.7	8.7	8.5	10.0	9.8	9.7	10.6	10.6	12.2	11.5	9.3
1942	10.8	9.0	8.8	8.8	9.1	9.5	9.8	10.4	10.8	11.4	11.7	11.7	10.2
1943	11.7	10.8	10.8	10.6	10.6	10.8	10.7	10.9	11.4	11.9	12.0	11.4	11.1
1944	8.7	8.7	8.5	7.7	7.7	7.8							
						South Atlantic							
1941	9.7	8.4	7.2	7.6	7.9	9.1	10.0	10.7	11.5	12.2	13.4	13.3	10.1
1942	11.2	9.5	7.9	7.5	8.0	8.6	9.2	10.3	12.1	12.9	13.7	14.3	10.4
1943	13.2	10.1	9.8	9.6	9.8	10.0	10.4	11.1	12.1	13.0	13.5	13.2	11.3
1944	10.8	8.6	7.5	6.9	6.9	7.0							
						East South Central							
1941	7.9	6.7	5.9	6.9	6.9	7.8	8.3	8.2	10.1	10.3	11.9	12.5	8.6
1942	9.9	8.0	7.3	7.1	7.3	7.6	8.1	8.4	10.0	10.6	11.3	12.0	9.0
1943	11.3	9.4	9.1	8.7	8.9	8.9	9.0	9.2	10.1	11.4	12.1	12.2	10.0
1944	10.0	8.0	7.2	6.2	6.4	6.7							
						West South Central							
1941	8.4	6.4	6.4	8.3	8.1	9.8	9.6	10.0	11.3	10.9	12.6	12.7	9.5
1942	11.4	9.0	8.6	8.5	8.9	9.3	9.4	9.5	10.4	11.3	11.9	12.5	10.1
1943	11.7	10.8	10.3	10.1	9.9	9.8	9.6	9.6	10.5	11.7	11.9	12.2	10.7
1944	9.8	8.9	8.2	7.1	7.3	7.6							
						Mountain							
1941	9.5	7.4	6.8	8.0	8.3	9.3	9.9	10.3	11.6	12.6	13.5	12.2	10.0
1942	11.0	9.4	8.6	8.6	8.5	8.7	9.2	10.0	11.3	12.7	13.8	13.9	10.5
1943	12.8	11.0	10.3	10.2	10.1	10.2	10.4	11.1	11.9	13.1	14.2	13.5	11.6
1944	10.4	9.3	8.7	7.5	7.5	7.6							
						Pacific							
1941	11.5	8.9	8.6	9.6	10.5	11.0	11.8	12.8	13.7	13.6	14.3	13.0	11.6
1942	12.2	9.9	9.7	9.7	9.9	10.5	11.2	12.7	13.9	14.5	15.2	15.3	12.1
1943	15.0	12.6	11.9	11.7	11.7	12.0	12.2	13.1	14.0	14.9	15.0	14.0	13.2
1944	11.5	9.9	9.4	8.1	8.4	8.6							

1/ Simple average of 12 months.

LIBRARY
CURRENT SERIAL RECORD
AUG 18 1944
U.S. DEPARTMENT OF AGRICULTURE